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By: **Senator Giannetti**

Introduced and read first time: January 31, 2003

Assigned to: Judicial Proceedings

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A BILL ENTITLED

1 AN ACT concerning

2 **Criminal Penalty - Coercing or Assisting a False Declaration**

3 FOR the purpose of prohibiting a contractor from knowingly coercing or assisting a  
4 person earning wages to falsely declare that the person is an independent  
5 contractor with the intent to evade certain laws; providing a penalty for  
6 knowingly coercing or assisting a person earning wages to falsely declare that  
7 the person is an independent contractor with the intent to evade certain laws;  
8 defining certain terms; and generally relating to false declarations of  
9 independent contractor status.

10 BY adding to

11 Article - Labor and Employment

12 Section 3-708

13 Annotated Code of Maryland

14 (1999 Replacement Volume and 2002 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Labor and Employment**

18 3-708.

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
20 INDICATED.

21 (2) "CONTRACTOR" HAS THE MEANING STATED IN § 9-101 OF THE REAL  
22 PROPERTY ARTICLE.

23 (3) "WAGES" HAS THE MEANING STATED IN § 10-905 OF THE TAX -  
24 GENERAL ARTICLE.

25 (B) A CONTRACTOR WHO KNOWINGLY COERCES OR ASSISTS A PERSON  
26 EARNING WAGES TO FALSELY DECLARE THAT THE PERSON IS AN INDEPENDENT  
27 CONTRACTOR WITH THE INTENT TO EVADE ANY APPLICABLE STATE OR FEDERAL

1 LAW IS GUILTY OF A MISDEMEANOR AND, ON CONVICTION, IS SUBJECT TO A FINE  
2 NOT EXCEEDING \$10,000 OR IMPRISONMENT NOT EXCEEDING 3 MONTHS OR BOTH.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 October 1, 2003.